

COMPANY REGISTRATION NUMBER: 00692327

A.H. Clark (Farms) Limited

Unaudited Financial Statements

for the year ended

31 March 2018

A.H. Clark (Farms) Limited

Financial Statements

for the year ended 31st March 2018

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A.H. Clark (Farms) Limited

Chartered Accountant's Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of A.H. Clark (Farms) Limited

for the year ended 31st March 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of A.H. Clark (Farms) Limited for the year ended 31st March 2018, as set out on pages 2 to 9 from the company's accounting records and from information and explanations you have given us. As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at www.icaew.com/en/membership/regulations-standards-and-guidance. This report is made solely to the Board of Directors of A.H. Clark (Farms) Limited, as a body, in accordance with the terms of our engagement letter dated 28th June 2011. Our work has been undertaken solely to prepare for your approval the financial statements of A.H. Clark (Farms) Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than A.H. Clark (Farms) Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that A.H. Clark (Farms) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of A.H. Clark (Farms) Limited. You consider that A.H. Clark (Farms) Limited is exempt from the statutory audit requirement for the year. We have not been instructed to carry out an audit or a review of the financial statements of A.H. Clark (Farms) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

MOORE THOMPSON Chartered Accountants

Bank House Broad Street Spalding PE11 1TB

Dated: 12 June 2018

A.H. Clark (Farms) Limited
Statement of Financial Position

as at 31 March 2018

		2018		2017	
	Note	£	£	£	£
Fixed assets					
Tangible assets	6	1,921,539		1,955,625	
Investments	7	61,097		59,278	
		-----		-----	
		1,982,636		2,014,903	
Current assets					
Stocks		260,762		282,194	
Debtors	8	87,063		126,394	
Cash at bank and in hand		671		199	
		-----		-----	
		348,496		408,787	
Creditors: amounts falling due within one year	9	376,687		448,296	
		-----		-----	
Net current liabilities			28,191		39,509
			-----		-----
Total assets less current liabilities			1,954,445		1,975,394
Creditors: amounts falling due after more than one year	10		797,321		889,718
Provisions					
Taxation including deferred tax		46,979		51,279	
		-----		-----	
Net assets		1,110,145		1,034,397	
		-----		-----	

A.H. Clark (Farms) Limited
Statement of Financial Position *(continued)*

as at 31 March 2018

		2018		2017	
	Note	£	£	£	£
Capital and reserves					
Called up share capital	11	26,419		26,419	
Revaluation reserve		1,018,263		1,018,263	
Capital redemption reserve		13,581		13,581	
Profit and loss account		51,882		(23,866)	
		-----		-----	
Shareholders funds		1,110,145		1,034,397	
		-----		-----	

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31st March 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 12 June 2018 , and are signed on behalf of the board by:

H. M. M. Clark

Director

Company registration number: 00692327

A.H. Clark (Farms) Limited
Notes to the Financial Statements

for the year ended 31st March 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Crown Hall Farm, Moulton Eaugate, Spalding, Lincolnshire, PE12 0TD.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Farm support income

Monies received and receivable from the Rural Payments Agency in respect of the Basic Payment Scheme and the Environmental Stewardship Scheme are recognised as other operating income in the period to which they relate.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

All fixed assets are initially recorded at cost, except for breeding mares. These are capitalised on a herd basis under the Income and Corporation Taxes Act 1988. The movement in valuation is reflected in the profit and loss account. Freehold land is included within the financial statements at the open market value at the balance sheet date.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leaschold property and drainage	-	10% straight line
Implements, plant and machinery	-	10-15% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and office equipment	-	15% reducing balance

Depreciation is not provided on freehold property where, in the opinion of the directors, the residual value of that property is such that any depreciation charge would be immaterial. No depreciation is provided for on freehold land. No depreciation is provided for on investment properties.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Finance leases and hire purchase contracts

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability. Sales and leasebacks (where the leaseback is treated as a finance lease as defined by FRS 102) are recorded in the balance sheet as assets and as obligations to pay future rentals. Rents payable are apportioned between the finance charge and a reduction in the outstanding obligation for future amounts payable. The total finance charge, which includes the amortisation of deferred expenses relating to finance leases, is allocated to accounting periods over the lease terms so as to produce a constant periodic charge on the remaining balance of the obligation for each accounting period.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Staff costs

The average number of persons employed by the company during the year amounted to 3 (2017: 4).

5. Tax on profit/(loss)

Major components of tax expense/(income)

	2018 £	2017 £
Current tax:		
UK current tax expense	21,865	—
Adjustments in respect of prior periods	—	(1,104)
	-----	-----
Total current tax	21,865	(1,104)
	-----	-----
Deferred tax:		
Origination and reversal of timing differences	(4,300)	(14,966)
	-----	-----
Tax on profit/(loss)	17,565	(16,070)
	-----	-----

6. Tangible assets

	Freehold property £	Long leasehold property £	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Apr 2017	1,534,290	119,893	940,956	19,395	7,524	2,622,058
Additions	—	—	—	12,800	282	13,082
	-----	-----	-----	-----	-----	-----
At 31 Mar 2018	1,534,290	119,893	940,956	32,195	7,806	2,635,140
	-----	-----	-----	-----	-----	-----
Depreciation						
At 1 Apr 2017	—	93,389	555,202	13,906	3,936	666,433
Charge for the year	—	5,835	38,575	2,185	573	47,168
	-----	-----	-----	-----	-----	-----
At 31 Mar 2018	—	99,224	593,777	16,091	4,509	713,601
	-----	-----	-----	-----	-----	-----
Carrying amount						
At 31 Mar 2018	1,534,290	20,669	347,179	16,104	3,297	1,921,539
	-----	-----	-----	-----	-----	-----
At 31 Mar 2017	1,534,290	26,504	385,754	5,489	3,588	1,955,625
	-----	-----	-----	-----	-----	-----

Land and buildings are now recognised as deemed cost following transition to FRS102 .

7. Investments

	Other investments other than loans £
Cost	
At 1st April 2017	59,278
Additions	1,819

At 31st March 2018	61,097

Impairment	
At 1st April 2017 and 31st March 2018	—

Carrying amount	
At 31st March 2018	61,097

At 31st March 2017	59,278

8. Debtors

	2018	2017
	£	£
Trade debtors	41,177	44,913
Prepayments and accrued income	31,502	58,508
Corporation tax repayable	—	1,104
Other debtors	14,384	21,869
	-----	-----
	87,063	126,394
	-----	-----

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	213,919	237,271
Trade creditors	93,346	157,652
Accruals and deferred income	14,049	15,139
Corporation tax	20,755	—
Social security and other taxes	463	918
Obligations under finance leases and hire purchase contracts	21,578	31,973
Director loan accounts	10,247	5,343
Company credit card	2,330	—
	-----	-----
	376,687	448,296
	-----	-----

The bank loans and overdraft included above and below are secured by fixed and floating charges over the company's undertakings and assets. The finance lease and hire purchase agreements included above and below are secured against the assets to which they relate.

10. Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Bank loans and overdrafts	754,166	824,985
Obligations under finance leases and hire purchase contracts	43,155	64,733
	<u>797,321</u>	<u>889,718</u>

Included within creditors: amounts falling due after more than one year is an amount of £478,349 (2017: £556,627) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

11. Called up share capital**Issued, called up and fully paid**

	2018		2017	
	No.	£	No.	£
Ordinary shares of £ 1 each	26,419	26,419	26,419	26,419
	<u>26,419</u>	<u>26,419</u>	<u>26,419</u>	<u>26,419</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.